THE GULF COOPERATION COUNCIL AND U.S. SECURITY INTERESTS IN THE PERSIAN GULF

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In 1980 President Jimmy Carter announced that "Any attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America...." A decade later the US was at war after one Gulf state was invaded and another was placed at risk. It is clear that we still count Gulf security and stability as vital interests. As we now consider possible future security arrangements for the Gulf region, it is worth looking at the potential usefulness of regional organizations. Of greatest interest in this respect is the Gulf Cooperation Council (GCC), composed of Saudi Arabia, Kuwait, Bahrain, Qatar, the United Arab Emirates and Oman. What kind of security role can the GCC play? Are there means by which the US can strengthen the GCC's ability to be a collective defense organization?

US INTERESTS AND SECURITY STRATEGY: The most obvious US interest in the Persian Gulf is continued access to its oil resources. The Gulf countries sit on roughly two-thirds of the world's proven oil reserves and on a significant share of the known natural gas reserves. Saudi Arabia alone has almost one-fourth of world oil reserves, along with a large excess production capacity, and continues to find new reserves every year. While the Saudis lead the pack by a large margin, Iraq, Kuwait, Iran and the UAE each has more oil reserves individually than the US does. The US still relies largely on domestic oil production, but we are the world's largest oil importer, and our own production is declining. During the last two decades, we have learned that the oil market truly is global; disruption of one part of that market has an impact everywhere else.

The US has other, secondary interests in the Gulf which are obscured at times by the focus on petroleum. As a result of their large oil earnings, Gulf countries, primarily Saudi Arabia, Kuwait and the UAE, have come to play an important role in the world financial community, ranging from large investments in the First World to development assistance for

the Third World. Saudi Arabia continues to be a major market for US goods and services and, as Texaco discovered, a possible partner for joint ventures with American companies in the US market.

The Gulf countries also have roles, positive and negative, to play in non-economic arenas of interest to the US. The GCC members are generally considered to be in the "moderate Arab" camp. They have used their influence to seek a negotiated end to the Arab-Israeli conflict and have tried to mediate between the warring parties in Lebanon, in both cases sharing with the US a desire for peaceful resolution of conflict. Iran, on the other hand, has supported anti-US terrorist organizations, and Iraq has shown, once again, its ability to upset regional peace. All in all, the US cannot afford to ignore the Persian Gulf.

Current US national strategy acknowledges the importance of the Gulf region. The President's March 1990 National Security Strategy includes as overall economic objectives the need to ensure access to foreign markets and energy resources, including Gulf energy supplies, and to minimize distortion in areas such as international trade and investment. A further objective in the strategy is to maintain "stable regional military balances" to deter powers seeking regional dominance. While the US has to tread carefully in the Gulf in its efforts to promote democracy, in the aftermath of the Iraq war, there seems to be greater interest in promoting popular participation in government. Finally, the Gulf is of concern when the strategy calls for halting the spread of weapons of mass destruction.

The recent draft Joint Military Net Assessment turns these broad security objectives into national military objectives, supporting a "continued, modest military presence" in the Gulf region and indicating that "restoring and preserving regional (i.e. Gulf) stability will have a major influence on US military planning and programming for years to come." The proposed Atlantic Forces package calls for forces able to

"ensure uninterrupted access to the oil resources of the Persian Gulf" and meet commitments to the security of key regional friends. The Assessment also recognizes that, with declining budgets, the US will have to rely more on "international security relationships" to further its interests.

THREATS TO US INTERESTS IN THE GULF: The US tends to define its interests in the Persian Gulf by looking at the Gulf as a whole, i.e. the GCC countries, Iran and Iraq. The rest of this paper, beginning with potential threats, will focus specifically on the six GCC members.

Threats to Gulf stability and security have come from a variety of directions in recent years. The Soviet invasion of Afghanistan in 1979 produced increased fears of Soviet expansionism. This event was quickly overshadowed, however, by threats from the Khomeini government in Iran, which called for the overthrow of the conservative Arab monarchies and sponsored attempts at internal subversion in various GCC states. Those threats increased when the GCC states supported Iraq in its war against Iran. The peace apparently promised by the end of the Iran-Iraq war faded with the re-emergence of Iraq as a threat.

None of these three states--the USSR, Iran and Iraq--appears to be an immediate threat to GCC members today. In addition to the war damage already suffered, the UN ceasefire resolution, if fully implemented, will further restrain Iraq's military capabilities by eliminating ballistic missiles and weapons of mass destruction, maintaining an arms embargo, and tying up oil earnings for compensation payments. Iran is still involved in rebuilding from the destruction of the previous Gulf war and is not a major military threat. Its leaders may also have moderated their desire to spread revolution. The USSR has many more pressing problems to resolve and has focused its recent Gulf efforts on improving political and economic relationships.

Given the recent history of regional conflict, however, the GCC

states cannot afford to assume that the previous threats are permanently gone. The Arab-Persian rivalry is centuries-old, as are attempts by various outside powers, some of them now friends, to control the Gulf. Given their population and resource bases, it is only a matter of time before Iran and Iraq once again have the ability to contend for power in the Gulf. Loss of capability does not mean either state has lost historic desires or memories of empire. The Soviets seem less likely as a future threat and are probably seen that way by GCC members as well.

Various GCC members see other regional states as potential threats. From Israel some may fear not only possible attack but also the radicalizing effect on domestic populations of the unresolved dispute with the Palestinians. Saudi Arabia and Oman have a history of conflict with Yemen. The latter's unwillingness to support the coalition adds to their concerns, but Yemen's own problems and relative underdevelopment make any conflict with its neighbors, other than a minor border skirmish, unlikely.

Within the GCC, there is a history of border disputes between the six states and concerns, generally expressed by outsiders, about internal stability. Recent boundary agreements apparently have resolved most of the border questions. The one exception is the Bahraini-Qatari dispute which, even it if flared into armed conflict, would be on a fairly small scale, given the size of the two states.

Americans looking at the Gulf make the mistake of assuming that monarchies, not being democracies, are ipso facto less legitimate and more prone to collapse. These monarchies have a strong basis in the tradition and culture of their societies and have proven remarkably resilient so far. They do face long-term social and economic problems which could, if not addressed, eventually force major political change; but, with the possible exception of Kuwait, there appear to be no real threats to internal stability in the near future.

While the GCC countries appear to face few, if any, immediate threats, they all recognize there are no guarantees the future will remain the same. Events can change quickly, and small countries with valuable resources are always tempting targets. Age-old disputes and underlying tensions can re-emerge. It may end up taking years for this to happen, but it also takes years to build defenses.

THE GULF COOPERATION COUNCIL: While the Iran-Iraq war served as a final catalyst for creation of the GCC, Gulf unity efforts actually started several years before. As long as the British had dominated the smaller Gulf states, the sense of security imparted by the imperial umbrella left the individual sheikhdoms with no real need to seek wider cooperation. The British left the Gulf in the late sixties and early seventies. The future GCC members were thus all independent and free to act on unity proposals. They also were alone, realizing that six individual small states had little chance of defending themselves. Several meetings took place to discuss a regional grouping for cooperation on various issues, including security. One problem in the first few years was what to do with Iran and Iraq, both interested in a regional body but not seen by the other six Gulf states as being truly compatible. The Iranian revolution, the Soviet invasion of Afghanistan and, finally, the outbreak of the Iran-Iraq war gave impetus to final agreement on a Gulf organization.

The GCC formally came into existence in May 1981 as a grouping of the non-belligerent Gulf states. According to its charter, the basic objectives are to:

--effect coordination, integration and interconnection between the members in all fields in order to achieve unity.

--deepen and strengthen prevailing relations and cooperation in various fields.

--formulate similar regulations in various fields (e.g. economic, commercial, educational, social, cultural, health and tourism).

--stimulate scientific and technological progress.

The Organization has a Supreme Council composed of the heads of state, a Ministerial Council made up of the foreign ministers which operates as a working level policy group, and a Secretariat, located in Riyadh and headed by a Kuwaiti Secretary-General. In addition there are frequent meetings between other ministers and lower-level officials. While unity is a stated goal, there is no plan for what that unity will look like. The focus is on process rather than end product, and the process is intended to move in a careful, step-by-step manner.

From the beginning the GCC emphasized its economic focus, despite the security concerns many observers believe responsible for its formation. The organization has undertaken several initiatives in economic fields, such as reducing customs duties and other trade barriers, relaxing restraints on joint-venture investments by GCC nationals and negotiating as one entity with the EC on trade issues. These are generally beyond the scope of this paper but they are ongoing.

With a major war going on "next door," the GCC could not long ignore security measures. The leadership outlined five principles to guide security policy:

--The GCC is not a military bloc against any state but a regional organization seeking the welfare, security and stability of its people.

--An attack against any member is an attack against all.

--The GCC was established as a defensive measure against possible externally-inspired domestic subversion.

--The GCC also was established as a defensive measure against foreign especially superpower intervention.

--GCC military policy is inseparable from that of the Arab League, an organization to which all GCC members also belong.

As several observers have described it, the GCC is a regional organization that tries to solve its own security problems so that outside intervention will not take place or be required.

Building on these principles the GCC has taken some joint security measures. Since 1983 there have been bilateral and multilateral exercises among the members. A joint rapid deployment force, now called the Peninsula Shield force, was created in 1985. As of August 1990, the force, based in Saudi Arabia, remained small and heavily dependent on Saudi and Kuwaiti troops. Ministers and other defence officials meet frequently. Saudi Arabia, whose size and location make it key, has internal security cooperation agreements with all but Kuwait.

The above efforts are a beginning, but there is a long way to go before the GCC presents a unified defense. The states have common interests and have faced mutual threats. They share a great deal in terms of culture, domestic structure and general outlook. All are monarchies, some more absolute than others, except the UAE, which is a federation of sheikhdoms. They have a common language and religion and a history of domination by outside powers. Oil has provided the basis for economic development, with heavy reliance on imported labor and technology. To varying degree, the six have tried to diversify their economies, but all still depend on the petroleum industry in one way or another. They also depend on technology to help compensate for lack of manpower for defense. The five smaller states are small in terms of absolute numbers of people. Oman, with just over one million Omanis, has the largest population of native citizens among the five. Saudi Arabia's citizen population (estimated at anywhere from 7 to 12 million) is huge by comparison, but very small when compared to the amount of territory to be defended. To

date the GCC has shown no interest in admitting interested neighbors such as Iraq and Yemen which share some of the problems but differ greatly in key areas. The members face major structural constraints, however, in areas such as unification of command procedures, interoperability of hardware, and planned force development. They also have to mature politically to the point where they can consider actions which appear to infringe on sovereignty. In the meantime each state deals with outside powers on its own.

While the GCC members hope to control their security by building a credible deterrent force, they still would need help to fend off any major attack. The problem has been developing a common strategy for dealing with outsiders. Oman signed an agreement granting US access under certain conditions to Omani facilities. Saudi Arabia accepted US AWACS support. After opposing outside ties, Kuwait sought and received US and Soviet help once its shipping was threatened. All six have bought weapons from a variety of suppliers. During the Iraq war, the US basically dealt with each GCC member on a bilateral basis, and we can expect to do so on security matters for some time.

THE US AND THE GCC: Given that collective defense remains much more a goal than a reality, is the existence of the GCC in the US interest? To begin with, the GCC is a fact of life in the Gulf. It may make progress slowly, but the indications are that the members continue to find cooperation through the GCC to be in their interest. In many ways this cooperation is in the US interest as well. Despite impressive bank accounts, there is little that one of the smaller Gulf states can do on its own to overcome the vulnerability created by size. It can upgrade its armed forces' technological capabilities, but lack of manpower remains a real constraint in the end. By offering its members one way to make up for small size, the GCC can play a role in reducing that vulnerability.

This could enhance regional stability in two ways, by helping deter an attacker and by reducing feelings of insecurity that might drive members to seek remedies such as weapons of mass destruction. If we need to take action in the Gulf in the future, increased defense policy coordination by GCC members would make our job easier by reducing the number of different systems and strategies present. Continued actions by the GCC to help members deal with internal subversion threats and pending border disputes also add to the security and stability of the Gulf.

There are ways in which US military strategy can help strengthen the defensive capabilities of the GCC and its members. While these actions generally will take place at present in bilateral settings, they can be structured to serve an eventual goal of defense integration. We do need to keep several sensitivities in mind, however. Saudi Arabia clearly is the largest military power in the GCC. The other members see the organization as one of equals, and they are likely to fight any policy which seems to support Saudi domination of the group. While there is still a glow from the defeat of Iraq, we face the possibility that policy differences on the Arab-Israeli dispute will once again influence our image and security relations in the Gulf. Disappointment could be severe if no progress is made now, when the US is widely perceived to have a window of opportunity. Our actions to defend Saudi Arabia and liberate Kuwait should have erased doubts about US reliability, but there is a history of lack of trust due to US inability to complete arms sales.

A major way for the US to build Gulf defense capabilities is through arms sales. As mentioned before, the Gulf countries rely on technology instead of manpower, and we are a main source of high-tech weaponry. In addition to enhancing individual state security, the presence of US weapons has made our operations in the Gulf over the past decade easier and will continue to do so in any future coalition fighting. Foreign arms

sales are increasingly vital to efforts to keep US production lines open, an important issue when we are trying to maintain a "warm" defence industrial base while reducing active forces.

Arms sales to the Gulf raise difficult questions, however, since they are affected by conflicting US policies. It is clear, on the one hand, that these states, which started from scratch a few decades ago to build national defenses, have a reasonable need for arms. On the other hand, US leaders, including members of Congress, have stated an interest in reducing the overall level of weaponry in a region so frequently prone in recent years to violence. Perhaps one way to address this problem is to focus on areas where GCC states realistically can be expected to augment or complement US forces in the event of future coalition warfare. Minesweepers is one possibility to consider. Air forces are another. Still we cannot structure sales entirely on the basis of plans for coalition warfare since one of the points is to strengthen local capabilities to the point that US assistance is not needed in event of war. We can, however, make a point of assessing each sale in light of the threat to be met. Selling tanks to some of the states makes more sense than it does to others. We also can consider a policy of assessing each potential sale in a regional context, i.e. does it add to overall GCC capabilities or merely duplicate? Is it necessary, for example, for each state to develop its own air defence system, given the short distances between some of them? This last point in particular could raise arguments over sovereignty, but avoidance of unnecessary duplication could have some appeal when there are competing claims on budget resources. For air defense, in fact, the GCC already has discussed the possibility of developing an integrated system. We should encourage this.

Another difficult issue is whether the US can work with other arms suppliers and with GCC members towards weapons standardization. Between

them, Saudi Arabia, Kuwait, the UAE and Bahrain either have, or have on order, the F-15, the F-16, the Tornado, the Mirage 2000 and the F/A-18. This complicates both defense integration and coalition warfare. The question is whether the US and other suppliers would be willing to forego a sale in the interest of standardization based on someone else's weapon. This issue is particularly complicated at a time when the administration wants to maintain a warm industrial base, defense companies face reduced Pentagon sales and the Gulf countries are among the few who can afford large, high-tech weapons systems. While the US is the major outside power that might assist the GCC in the future, previous purchases might dictate the logic in some areas of standardizing based on non-US weapons.

The US should continue to support training and exercise activities with GCC members and consider ways to make them multilateral as well as to work with the Peninsula Shield force as a joint unit. Our coalition war effort may help overcome previous reluctance to be seen in exercises with the US. Training also is a way we can help the GCC states compensate for lack of numbers with high-quality personnel.

In the final analysis, the GCC states cannot expect to defeat large opponents without outside help. Technology and training can only compensate for so much. According to our national strategy, we intend to react if our interests are threatened again. Cooperation from GCC members is a crucial aspect, and we can look at whether and how this cooperation might include prepositioning, access/base rights or formal alliances. The latter option seems least likely. The US still carries enough baggage as a Western power, linked to Israel, to make this or other aspects of US presence politically risky for Gulf states. What do they have to gain if we will come to their aid anyhow when the chips are down? The GCC itself is not mature enough to be an adequate partner in the defense field. Recent press reporting indicates that GCC states will turn to Egypt and

Syria for contributions of ground troops to an expanded Gulf defense force. Given our previous history of naval forces in the Gulf, we should be able to maintain a naval presence for some time. Prepositioning, as the least visible, appears to be the most viable of these options.

The above paragraph points out, though, what will be true of much of our military activity in the Gulf for the near future: it is more likely to be done on a bilateral rather than a multilateral basis. We can look for ways to slowly encourage more defense cooperation and integration, looking for long-term benefits, but we cannot push the GCC members faster than they are willing to go. Structural differences, if nothing else, will cause delays, and such differences take money to resolve. In the meantime, we do have other avenues for dealing with the GCC, including a regular economic dialogue. Some of these avenues may allow us to encourage further civilian infrastructure development which is crucial for any future US operations in the Gulf. We should continue to use those non-security channels for strengthening the GCC and our relations with it, hoping that once strong in some areas, the organization will move to seek more integration in others, including security.